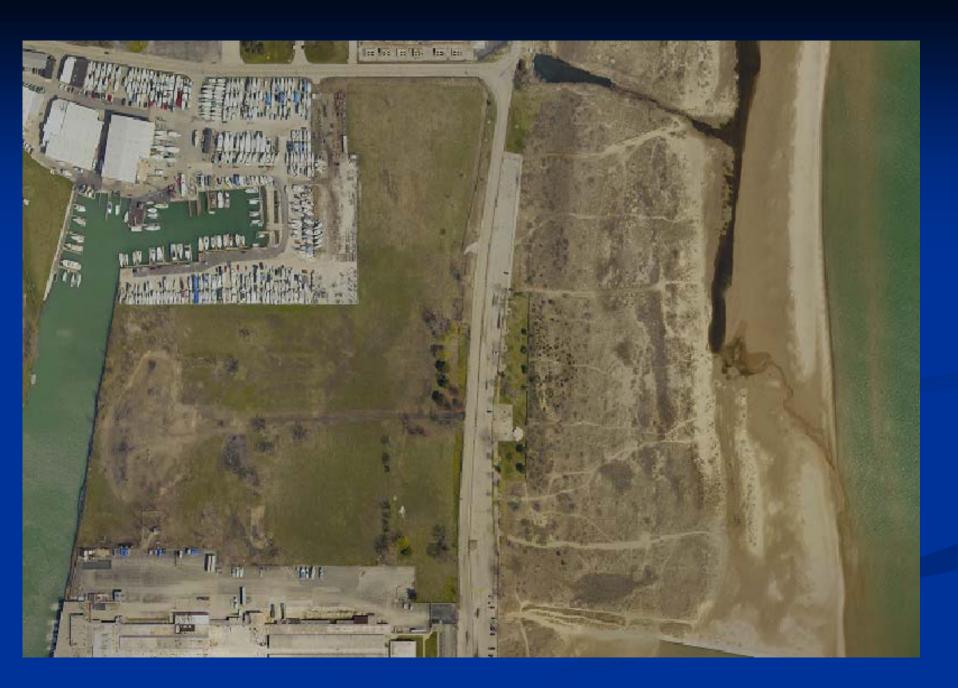


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Outboard Marine Corporation (OMC) Site Waukegan, IL

Remedial Progress Update
March 2008





Soil cleanup was completed November 2005.

Groundwater pump-and-treat targeted to begin in summer 2008.





■ Active groundwater work to last 3-8 years.

Estimated total cleanup costs are \$28 million.

Waukegan Coke Plant Re-use

City to issue redevelopment Request for Proposals "soon."

May include portions of OMC Plant 2 property as well.

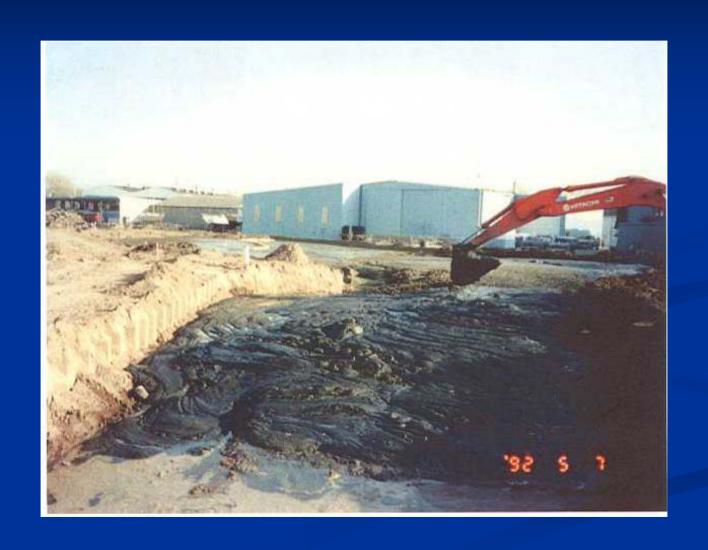


Waukegan Coke Plant planning questions:

Place layer of harbor sediments over site?

Use property as lay-down area for harbor work?

PCB Containment Cells





PCB Containment Cells



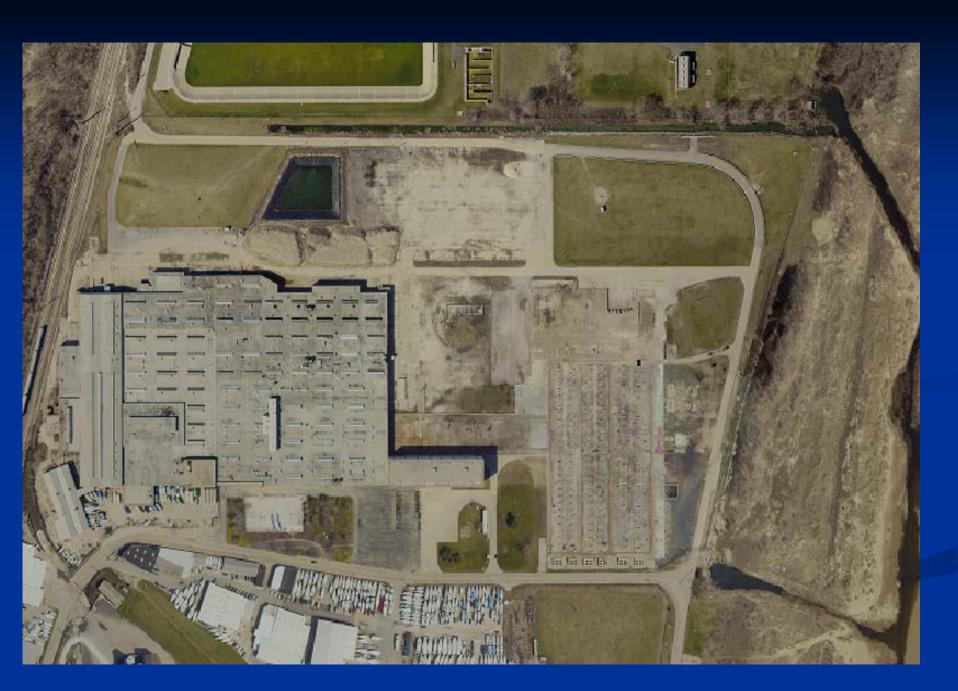
- Three cells constructed by OMC to hold harbor cleanup materials.
- OMC operated and maintained the cells until it abandoned the OMC Plant 2 facility in December 2002.
- EPA (Superfund Removal program) maintained cells from 2002-2003.

PCB Containment Cells

- Illinois EPA maintained cells from 2003-2005.
- City now maintains cells under terms of 2005 consent decree leading to ownership of OMC Plant 2 property.
- EPA is working with City and Larsen Marine to re-use former Boat Slip #3 containment cell.







OMC sent workers home permanently on December 20, 2000.

OMC Bankruptcy Trustee announced potential abandonment of facility in mid-2002.

RPM requested immediate Removal Program inspection of the facility.

■ EPA and OMC Trustee reach settlement for initial cleanup of facility by Trustee in mid-2002; OMC Plant 2 is abandoned in December 2002.

■ EPA performed second removal action in 2002-2003.



■ EPA began RI/FS at the site in 2003.

■ EPA performed additional removal actions at site in 2005 (beach), 2007 (copper), and 2008.

First ROD issued for building, area soil and sediment in September 2007 (\$21 million).

Remedial Design started in mid-2007; completion targeted for spring 2008.

State to pay 10 percent of OMC Plant 2 cleanup costs.

 Building and soil cost estimate is approaching \$30 million.

OMC Plant 2 – Cleanup Steps

Fund Lead – RA Prioritization Panel to secure funding

- Phase 1- Asbestos abatement prior to demolition
- Phase 2 Soil cleanup
- Phase 3 Building demolition

OMC Plant 2 - Asbestos





OMC Plant 2 - Lead-based Paint



■ Phase 1 cost estimate: \$4-5 million

■ Phase 2 cost estimate: \$5-6 million

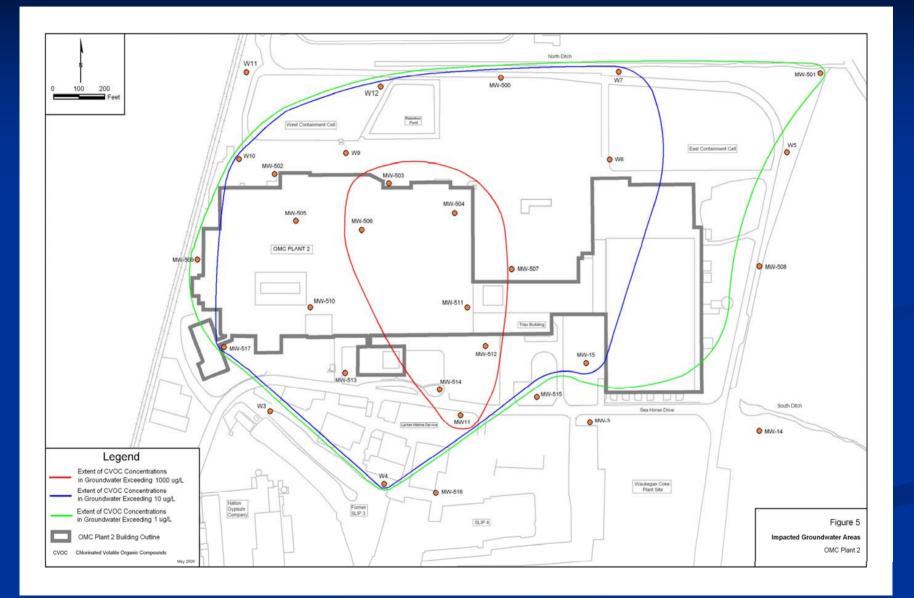
■ Phase 3 cost estimate: \$20 million

OMC Plant 2 – Additional Work

Groundwater FS update due in spring 2008.

Proposed groundwater cleanup plan targeted for summer 2008.

Looking at in-situ cleanup remedies.



■ Groundwater ROD targeted for fall 2008

Completion of groundwater Remedial Design targeted for fall/winter 2009.

Groundwater cleanup work could begin in 2010, pending funding availability and Prioritization Panel ranking.

OMC Plant 2 planning questions:

■ Use site for harbor sediment consolidation area?

Use existing "Trim Building" slab for harbor water treatment plant site?

OMC Site – Final Thoughts

- All Federal-lead cleanup funding is subject to availability and Prioritization Panel ranking.
- Total OMC site cleanup costs are estimated at \$130 million when all operable units are cleaned up.
- \$50 million would be private funds; rest would be public funds.